



October 8, 2019

VIA ECFS

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

RE: *Lifeline and Link Up Reform and Modernization*
WC Docket No. 11-42

Dear Ms. Dortch:

On October 7, 2019, the undersigned and Tamber Ray of NTCA–The Rural Broadband Association (“NTCA”) met with Trent Harkrader, Ryan Palmer, Nathan Eagan, and Jody Griffin, of the Wireline Competition Bureau regarding matters in the above-referenced proceeding.¹ Mr. Palmer participated in the meeting via telephone.

NTCA expressed overarching support for the notion that Lifeline customers should have the same choices as all consumers when it comes to adopting voice and broadband services. However, NTCA emphasized the need for an approach to minimum service standards that will be driven by consumer choice rather than regulatory mandate. Specifically, NTCA recommends allowing existing Lifeline subscribers to choose whether to continue to receive Lifeline support for the services they already subscribe to today (at whatever speeds those services may be), or to upgrade their subscription to a service that meets the Commission’s prescribed minimum service standards where available. NTCA pointed out that absent a grant of NTCA’s Petition for Waiver in the above-referenced proceeding,² beginning December 1, current Lifeline subscribers to fixed broadband service will be forced to upgrade to a higher speed tier than they may need, want, or have the ability to afford – resulting in either stretched consumer budgets or the potential for price-sensitive customers to cease buying broadband altogether.

¹ *Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount*, WC Docket No. 11-42, DA 19-704 (rel. July 25, 2019).

² NTCA Petition for Waiver, WC Docket No. 11-42 et al. (filed July 29, 2019).

As an example of what this could mean for the average consumer, NTCA explained that the Commission's 2019 Urban Rate Survey shows an average monthly price increase of more than five dollars (\$5.00) between a 10/1 Mbps service with 200 GB capacity and a 25/3 Mbps service with the same capacity.³ From a practical perspective, this means that a forced upgrade associated with the minimum service standards could effectively consume half of the customer's Lifeline support, which would undermine the ability of Lifeline customers to afford this critical service. NTCA further stated that the scheduled phase down in voice support beginning December 1 heightens the importance of allowing existing Lifeline customers to continue to apply the Lifeline discount to their current broadband service tier, as the ability for consumers to obtain bundles of service and apply the support to the voice portion of that bundle (and then procure whatever speed of broadband they choose) will be eliminated by the end of next year if the elimination of voice support continues unabated.

NTCA recognizes and shares the concern that Lifeline customers should not be relegated solely to a provider's lowest service tier, but the current framework creates the perverse effect of potentially "pricing customers out of broadband" at a certain point and actually works to *deny* Lifeline consumers the same sorts of choices that a non-Lifeline customer can exercise at any time for a service that meets his or her needs and budget. NTCA therefore suggested the Commission specify in response to NTCA's petition that if a provider's FCC Form 477 or any successor form lists a speed at or above the minimum standard as being available in the customer's area, the provider would be required to make the minimum speed available to all Lifeline subscribers in that area – but existing fixed broadband subscribers specifically would have the option of upgrading to the minimum standard or maintaining their current service tiers for purposes of applying the Lifeline discount.

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission's Rules, a copy of this correspondence is being filed via ECFS. Please contact the undersigned with any questions.

Sincerely,

/s/ Michael R. Romano

Michael R. Romano
Senior Vice President –
Industry Affairs & Business Development

cc: Trent Harkrader
Ryan Palmer
Nathan Eagan
Jody Griffin

³ *Wireline Competition Bureau Announces Results of the 2019 Urban Rate Survey for Fixed Voice and Broadband Services*, WC Docket No. 10-90, DA 18-1280 (rel. Dec. 20, 2018). The increase is nearly \$8 for Alaska customers.